

Standards, Procedures and Public Appointments Committee  
Scottish Parliament  
Edinburgh  
EH99 1SP

7 November 2019

Dear Sir / Madam

**Call for views on the Scottish Elections (Reform) Bill**

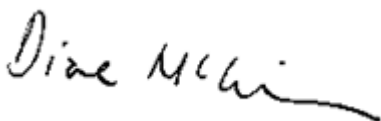
Please find a response from Audit Scotland to the Committee's call for views on the Scottish Elections (Reform) Bill.

Audit Scotland is the independent public sector audit agency undertaking the external audit of the majority of public sector bodies in Scotland. We do this on behalf of the Auditor General for Scotland and the Accounts Commission.

Our response focuses on the auditing arrangements for the Electoral Commission, in relation to its devolved responsibilities, as this is directly relevant to our role.

We welcome the opportunity to contribute to the Committee's inquiry and I hope you find the attached comments useful. Please do not hesitate to get in touch if you have any questions.

Yours sincerely



Diane McGiffen  
Chief Operating Officer

**Standards, Procedures and Public Appointments Committee**  
**Call for views on Scottish Elections (Reform) Bill**  
**Submission from Audit Scotland**

Audit Scotland is the independent public sector audit agency undertaking the external audit of the majority of public sector bodies in Scotland. We do this on behalf of the Auditor General for Scotland (for central government, further education and the NHS) and the Accounts Commission (for local government).

Audit Scotland welcomes the opportunity to respond to the Standards, Procedures and Public Appointments Committee's call for views on the Scottish Elections (Reform) Bill. Our response focuses on auditing arrangements, which are directly relevant to our role.

The Bill includes provisions setting out auditing arrangements for the Electoral Commission, in relation to its devolved responsibilities. The Scottish and UK Governments have previously agreed principles for any such matters as set out in [Scottish Devolution: a framework for audit and accountability](#). This seeks to implement policy principles set out in the wider Fiscal Framework agreement, including an aim to ensure that “duplication is avoided as far as possible”.<sup>1</sup> The audit and accountability framework also states that “the framework should be referred to when legislation is considered in the future”.

We are concerned that the Bill as currently drafted is not consistent with the audit and accountability framework agreed. It seeks to prescribe the auditing to be carried out in relation to the Electoral Commission in relation to devolved matters by both the Comptroller and Auditor General and the Auditor General for Scotland. This is contrary to the following aspects of principle 7 in the framework:

- The statutory framework for each national auditor ensures that they have complete discretion in how they carry out their functions and that national auditors are free to determine their work programme independently.
- National auditors may make arrangements between themselves to ensure that they can fulfil their responsibilities to meet the legitimate accountability needs of the different legislatures.

The relevant provisions are contained in sections 17 and 18 of the Bill. In particular:

- Section 17 would require the Comptroller and Auditor General to carry out an examination into the economy, efficiency or effectiveness with which the Commission has used its resources in discharging its devolved Scottish functions when it submits a five-year plan to the Scottish Parliamentary Corporate body (SPCB).
- Section 18 would enable the SPCB to require the Auditor General for Scotland to arrange for the audit of the Commission's accounts insofar as they relate to its devolved functions, an addition to the statutory audit of such accounts undertaken by the Comptroller and Auditor General.

The principles set out in the agreed audit and accountability framework enable the Auditor General for Scotland and the Comptroller and Auditor General to work together to support the accountability needs of the Scottish Parliament in relation to both value for money and financial reporting matters. In our view, legislative provision is not necessary to support such an approach to auditing the Electoral Commission's devolved responsibilities. We are also concerned that the auditing provisions set out in section 18 are impractical and would lead to duplication.

We have shared our comments with the Scottish Government. We understand that it is considering how best to amend the audit provisions in the Bill.

Audit Scotland  
November 2019

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<sup>1</sup> Paragraph C111 of [Annex C: Operation and Governance of the Scottish Government's Fiscal Framework](#).